

**REPORT OF THE  
FINANCE COMMITTEE OF THE  
BOARD OF DIRECTORS OF THE  
COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

**APRIL 30, 2009**

**ATTENDANCE**

**Present:** Chairman David Carvalho and Directors Quin R. Golden; Luis Muñoz, MD, MPH; and Heather O'Donnell, JD, LL.M (4)

Board Chairman Warren L. Batts (Ex-Officio)

**Absent:** Director Jorge Ramirez (1)

**Also Present:** Director Hon. Jerry Butler

Joan Archie – Business Diversity, University of Chicago Medical Center; Johnny Brown – Chief Operating Officer, John H. Stroger, Jr. Hospital of Cook County; Pitt Calkin – Interim Chief Financial Officer, Cook County Health and Hospitals System; Matthew B. DeLeon – Secretary to the Board of Commissioners of Cook County; Leslie Duffy – Director of Procurement, Cook County Health and Hospitals System; Sylvia Edwards – Chief Operating Officer, Oak Forest Hospital of Cook County; Hon. Bridget Gainer – Cook County Commissioner; Robert Goldman – Director of Social Services, John H. Stroger, Jr. Hospital of Cook County; Jeff McCutchan – Supervisor, Transactions and Health Law Division, Office of the State's Attorney; Elizabeth Reidy – Deputy Chief, Civil Actions Bureau, Office of the State's Attorney; Gretchen Ryan – Project Manager, MedAssets; David R. Small – Interim Chief Executive Officer, Cook County Health and Hospitals System; James Williams, Jr. – Business Diversity, University of Chicago Medical Center

Ladies and Gentlemen:

Your Finance Committee of the Board of Directors of the Cook County Health and Hospitals System met pursuant to notice on Thursday, April 30, 2009 at the hour of 7:30 A.M. at Stroger Hospital, 1901 W. Harrison Street, in the fifth floor conference room, in Chicago, Illinois.

Your Finance Committee has considered the following items and upon adoption of this report, the recommendations follow.

**Roll Call**

Matthew B. DeLeon, Secretary to the Board of Commissioners of Cook County, called the roll of members and it was determined that a quorum was present.

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**Public Comments**

Chairman Carvalho asked the Secretary to call upon the registered speakers.

The Secretary called upon the following registered public speaker:

1. George Blakemore      Concerned Citizen
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**REPORT OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE  
COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
APRIL 30 2009  
PAGE 2**

**Presentation of outpatient clinic cost reports and management letter**

This item was withdrawn.

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**Presentation of Year-to-Date Financials through February 2009**

Pitt Calkin, Interim Chief Financial Officer of the Cook County Health and Hospitals System, presented the Year-to-Date Financials through February 2009. (Attachment #1).

The Committee reviewed and discussed the information.

During the discussion of revenue derived from the property tax levy, Director Muñoz requested an analysis showing the property tax revenues and allocations for the last ten years; Chairman Carvalho added that for an “apples to apples” comparison, the analysis should include and reflect the expenses which were previously included and appropriated for within the County’s budget, but which are now included in the System’s budget<sup>1</sup>. Additionally, Chairman Carvalho inquired whether the property tax extension was inflated by an additional three percent to allow for potential loss factor. Elizabeth Reidy, Deputy Chief of the Civil Actions Bureau of the Office of the State’s Attorney, responded that she would find out the answer to his inquiry.

During the discussion of productivity, Mr. Calkin stated that he intends to present a plan with regard to traffic in the emergency room at Stroger Hospital and in the Ambulatory and Community Health Network clinics at the next Finance Committee meeting on May 15th<sup>2</sup>.

**Director O’Donnell, seconded by Director Golden, moved to accept the Year-to-Date Financials through February 2009. THE MOTION CARRIED UNANIMOUSLY.**

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**Update on 2009 Budget – Adoption and Implementation, including status report  
on FY2009 operations goals of FTE net reductions and purchasing expense savings**

Mr. Calkin provided the Committee with an update on the 2009 Budget. The Committee discussed the fiscal year 2009 operations goals of full-time equivalent employee net reductions and purchasing expense savings.

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**Presentation by UCMC Diversity and Compliance Directors on Business Diversity**

Joan Archie and James Williams, Jr., from the University of Chicago Medical Center, presented an informational review of the University of Chicago Medical Center’s Business Diversity initiative.

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**REPORT OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE  
COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
APRIL 30 2009  
PAGE 5**

**Contracts and Procurement Approvals (continued)**

**REQUEST TO ENTER INTO AND EXECUTE CONTRACT  
APPROVED**

- |                         |  |                                  |
|-------------------------|--|----------------------------------|
| 8.) Stryker Instruments | Contract Period: Purchase, with<br>with two (2) year extended warranty | Contract Amount:<br>\$382,777.80 |
|-------------------------|--|----------------------------------|
- For the purchase of orthopedic power tools, with a two year extended warranty at no additional charge, for the Orthopedic Division of Surgery at John H. Stroger, Jr. Hospital of Cook County.

**REQUEST TO ENTER INTO AND EXECUTE CONTRACT  
APPROVED**

- |                   |   |                                  |
|-------------------|---|----------------------------------|
| 9.) KCI USA, Inc. | Contract Period:<br>10/01/09 through 09/30/10 | Contract Amount:<br>\$250,000.00 |
|-------------------|---|----------------------------------|
- For Wound V.A.C. Therapy Systems and accessories for the Burn and Orthopedic Divisions at John H. Stroger, Jr. Hospital of Cook County.

Corrections were made to five contractual transmittals (request numbers 2, 3, 4, 6, and 7) submitted as backup for Contracts and Procurement Approval Items. It was stated that request number 1 was being withdrawn from consideration.

Leslie Duffy, Director of Procurement of the Cook County Health and Hospitals System, provided information on the items presented.

The Committee reviewed and discussed the requests presented for their consideration.

**Director Muñoz, seconded by Director O'Donnell, moved the approval of the Contracts and Procurement Approval Items, as amended, with the exception of request number 1, which was withdrawn. THE MOTION CARRIED UNANIMOUSLY.**

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**Update on Contracting Issues**

Ms. Duffy provided information on contracting issues.

During the discussion with regard to timelines and the Board's final decision on the group purchasing organization (GPO), Chairman Carvalho clarified that the final decision on the GPO is not within the Ms. Duffy's authority. Ms. Duffy concurred, stating for the record that she recused herself from the voting process and is just the coordinator.

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**REPORT OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE  
COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
APRIL 30 2009  
PAGE 6**

**Capital Equipment Review and Discussion**

David Small, Interim Chief Executive Officer of the Cook County Health and Hospitals System, presented information relating to the capital equipment program for fiscal years 2007 through 2009 (Attachment #5).

The Committee reviewed and discussed the information.

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**Discuss and approve request to enter into and execute contract  
with Navigant Consulting for turnaround assessment and consulting services**

This item was withdrawn from consideration.

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**Follow-up on outstanding requests for information**

Mr. Calkin provided information on outstanding requests for information. He stated that the report on eligibility vendors would likely be presented at the May 15th Finance Committee Meeting.

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**Review and discuss the Report of the Finance Committee  
for the meeting of April 16, 2009**

The Committee reviewed the Report of the Finance Committee for the meeting of April 16, 2009. Chairman Carvalho inquired whether any members had changes or corrections that needed to be made to the report. Hearing none, he moved on to the next item on the agenda.

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**Adjournment**

**As the agenda was exhausted, Chairman Carvalho declared THE MEETING ADJOURNED.**

Respectfully submitted,  
Finance Committee of the  
Board of Directors of the  
Cook County Health and Hospitals System

  
David Carvalho, Chairman

Attest:

  
Matthew B. DeLeon, Secretary

**REPORT OF THE FINANCE COMMITTEE OF THE BOARD OF DIRECTORS OF THE  
COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
APRIL 30 2009  
PAGE 7**

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The following was requested or was indicated as a follow-up item at this meeting:

<sup>1</sup> Follow-up: Request for analysis showing the property tax revenues and allocations for the last ten years; Chairman Carvalho added that for an “apples to apples” comparison, the analysis should include and reflect the expenses which were previously included and appropriated for within the County’s budget, but which are now included in the System’s budget. On page 2.

<sup>2</sup> Follow up: for May 15th meeting, present a plan with regard to traffic in the emergency room at Stroger Hospital and in the Ambulatory and Community Health Network clinics. On page 2.

Cook County Health and Hospitals System  
Report of the Meeting of the Finance Committee  
April 30, 2009

ATTACHMENT #1



**Cook County Health and Hospitals System**

**Income Statement for the Three Months Ended**  
**February 28, 2009**

As of April 29, 2009

**Index**

1. Mission Statement
2. Attestation Statement
3. Management Discussion and Analysis
4. Income Statement
5. Statistics
6. Payer Mix
7. Top Ten DRG's for Each Facility (pending)
8. Performance Summary: Eligibility Referrals
9. Financial Statement Disclosure Statement (Draft)

**COOK COUNTY HEALTH & HOSPITALS SYSTEM****MISSION STATEMENT**

The Cook County Health and Hospitals System will deliver the highest quality of care to all patients, regardless of a patient's ability to pay.

Our commitment is to deliver the highest quality of care to all patients, regardless of a patient's ability to pay.

Our commitment is to deliver the highest quality of care to all patients, regardless of a patient's ability to pay.

Board of Directors  
Cook County Health and Hospitals System

The accompanying monthly financial statement package of the Cook County Health and Hospitals System, for the three months ended February 28, 2009 and the related Management's Discussion and Analysis, Income Statement, Statistics, Payer Mix, Top Ten DRG's for Each Facility, and Performance Summary: Eligibility Referrals for three months ended have been prepared by Management who is responsible for their presentation and disclosure. These statements have not been compiled, reviewed or audited by independent accountants.

CCHHS maintains an internal control structure designed to provide reasonable assurance that assets are safeguarded and that transactions are properly executed, recorded and summarized to produce reliable records and reports.

To the best of Management's knowledge and belief the statements and related information were prepared in conformity with generally accepted accounting principles and governmental accounting standards and are based on recorded transactions and Management's best estimates and judgment.

David Small, Interim Chief Executive Officer

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Pitt R. Calkin, Interim Chief Financial Officer

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### **Summary**

The Cook County Health and Hospitals System year to date financial results finished the Third month of the fiscal year behind budget by \$4,638,592. The overall revenue shortfall at the end of the Third month was \$12,500,626. Expenses were also below budget by \$7,862,034 or 3.0%

### **Operating Revenue**

Fees at the end of February collected from patient services were below budget year to date by \$5,077,365 or 7.0%. The largest source of unfavorable patient service revenue is from the shortfall of Medicaid patient fees due to a short pay by the State in February that was subsequently paid in March.

Other Revenue at the end of February is below the budget by \$270,046 or 15.2%. We accrued the Department of Health revenue.

FMAP and NetDSH are recognized on a accrual basis to Budget.

Total Operating Revenue at the end of the February was below budget year to date by \$5,347,411 or 4.5%.

### **Operating Expenses**

Operating Expenses at the end of February were below budget by \$7,862,034 or 3.0%. This favorable expense performance was due to positive variances for Supplies, Purchased Services, and Utilities. Salaries and Employee Benefits were under the budget year to date.

### **Salaries and Wages – \$12,188,811 or 8.6%**

Salaries and wages were below the budget at the end of February due to the FY 2009 Budget not being approved until mid-February which resulted in none of the new budgeted positions being recruited for.

**Benefits - \$1,727,155 or 8.6%**

The level of Benefit expense is directly related to salary and wage expense. Benefits for employees are below the budget because salaries and wages are also below the budget.

**Supplies – \$2,500,000 or 6.2%**

Each of the System facilities supply expenses are below the budget year to date. The System is using the accrual convention to measure supply expense based on the budgeted expenditures minus any documented savings to date.

**Purchased Services, Rental, and Other - \$2,100,000 or 5.2%**

The year to date level expenses for the System for this category continues to be significantly below the budget. The method used to estimate expense is the same for purchased services as is used for supplies.

**Utilities - \$395,978 or 7.4%**

The estimated System year to date expense for utilities in total is below budget.

**System Expenses per Adjusted Patient Day**

A comparison of year to date expenses per adjusted patient day to the budget is as follows:

<u>Institution</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Stroger	\$4,317.07	\$4,516.12	-4.6%
Oak Forest	\$4,392.01	\$3,666.29	16.5%
Provident	\$4,533.05	\$4,399.12	3.0%

**Non Operating Revenue**

Non operating revenue at the end of February was below budget by \$7,153,215 or 5.1%. The largest shortfalls from budget are for cigarette taxes. Property Taxes are recognized on a accrual basis to Budget

4/29/2009 3:34 PM

**Cook County Health Facilities Fund of Illinois**  
**Preliminary Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis**  
**Budget For Three Months Ending February 28, 2009 (UNAUDITED)**  
**CONSOLIDATED**

	Total for the Three Months Ending February 28, 2009	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<b><u>Operating revenue</u></b>				
Patient Service Revenue	\$ 67,406,094	\$ 72,483,459	\$ (5,077,365)	-7.0%
FMAP	5,000,000	5,000,000	-	0.0%
Inter-Governmental Transfers (IGT)	32,812,500	32,812,500	0	0.0%
NetDSH	6,750,000	6,750,000	-	0.0%
Total Patient Service Revenue	111,968,594	117,045,959	(5,077,365)	-4.3%
Other revenue	1,502,848	1,772,894	(270,046)	-15.2%
Total operating revenue	113,471,442	118,818,853	(5,347,411)	-4.5%
<b><u>Operating expenses</u></b>				
Salaries and wages	129,412,573	141,601,384	12,188,811	8.6%
Employee benefits	18,337,762	20,064,916	1,727,155	8.6%
Retirement plan contribution	16,353,939	16,353,939	-	0.0%
Supplies	37,554,049	40,054,049	2,500,000	6.2%
Purchased services, rental & other	38,221,339	40,321,339	2,100,000	5.2%
Depreciation	10,166,324	10,166,324	(0)	0.0%
Utilities	4,839,182	5,335,160	395,978	7.4%
Services contributed by other County offices	1,022,733	1,022,733	(0)	0.0%
Less: Unallocated budget reduction for the year of \$44,189,836	0	(11,049,909)	(11,049,909)	100.0%
Total operating expenses	256,007,900	263,889,934	7,862,034	3.0%
Operating Loss	(142,536,458)	(145,051,081)	2,514,623	-1.7%
<b><u>Nonoperating revenue (expense)</u></b>				
Property taxes	35,531,271	36,097,031	(565,760)	-1.6%
Sales taxes	48,790,176	48,800,000	(9,824)	0.0%
Cigarette taxes	27,172,369	33,750,000	(6,577,631)	-19.5%
Interest Income	-	-	-	#DIV/0!
Interest Earnings Transfer Out	4,250,000	4,250,000	-	0.0%
Retirement plan contribution	16,353,939	16,353,939	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	1,022,733	1,022,733	0	0.0%
Total nonoperating revenue	133,120,487	140,273,703	(7,153,215)	-5.1%
Income (Loss) before other revenue, expenses, gains, losses, and transfers	(9,415,971)	(4,777,378)	(4,638,592)	97.1%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (9,415,971)	\$ (4,777,378)	\$ (4,638,592)	97.1%

4/29/2009 3:34 PM

**Preliminary Combining Statement of Revenues, Expenses,  
and Changes in Net Assets of Operating Accounts - Modified Accrual Basis  
Budget For Three Months Ending February 28, 2009 (UNAUDITED)**

	<b>COMBINED</b>			
	<b>John H. Stroger, Jr Hospital</b>	<b>Oak Forest Hospital</b>	<b>Provident Hospital</b>	<b>Total</b>
<b><u>Operating revenue</u></b>				
Patient Service Revenue	\$ 53,217,784	\$ 6,793,992	\$ 7,394,338	\$ 67,406,094
FMAP	3,741,500	741,000	517,500	5,000,000
Inter-Governmental Transfers (IGT)	24,469,488	4,963,854	3,379,177	32,812,500
NetDSH	5,051,025	1,000,350	698,625	6,750,000
Total Patient Service Revenue	86,479,757	13,499,196	11,989,640	111,968,594
Other revenue	1,245,348	144,759	112,740.54	1,502,848
Total operating revenue	87,725,106	13,643,955	12,102,381	113,471,442
<b><u>Operating expenses</u></b>				
Salaries and wages	93,526,768	18,443,052	17,442,754	129,412,573
Employee benefits	13,252,743	2,613,380	2,471,638	18,337,762
Retirement plan contribution	11,628,610	2,483,824	2,241,506	16,353,939
Supplies	29,191,034	4,099,190	4,263,824	37,554,049
Purchased services, rental and other	24,891,196	5,464,163	7,865,979	38,221,339
Depreciation	8,384,204	1,015,952	766,169	10,166,324
Utilities	3,287,790	998,734	652,659	4,939,182
Services contributed by other County offices	754,521	177,102	91,110	1,022,733
Total operating expenses	184,916,865	35,295,397	35,795,638	256,007,900
Operating Loss	(97,191,759)	(21,651,442)	(23,693,257)	(142,536,458)
<b><u>Nonoperating revenue (expense)</u></b>				
Property taxes	25,472,293	4,314,791	5,744,187	35,531,271
Sales taxes	35,023,393	5,998,094	7,768,689	48,790,176
Cigarette taxes	19,506,390	3,340,015	4,325,964	27,172,369
Interest income	-	-	-	-
Interest Earnings Transfer Out	3,046,876	516,205	686,919	4,250,000
Retirement plan contribution	11,628,610	2,483,824	2,241,506	16,353,939
Working cash revenue	-	-	-	-
Services contributed by other County offices	754,521	177,102	91,110	1,022,733
Total nonoperating revenue	95,432,082	16,830,031	20,858,374	133,120,487
Income (Loss) before other revenue, expenses, gains, losses and transfers	(1,759,677)	(4,821,411)	(2,834,883)	(9,415,971)
Income (Loss) on disposal of fixed assets	-	-	-	-
Capital contributions	-	-	-	-
Change in net assets	\$ (1,759,677)	\$ (4,821,411)	\$ (2,834,883)	\$ (9,415,971)



4/29/2009 2:40 PM

**Cook County Health Facilities Fund of Illinois**  
**Preliminary Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis**  
**Budget For Three Months Ending February 28, 2009 (UNAUDITED)**

**John H. Stroger, Jr., Hospital of Cook County**

	Total for the Three Months Ending February 28, 2009	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<b><u>Operating revenue</u></b>				
Patient Service Revenue and FMAP	\$ 53,217,764	\$ 54,404,545	\$ (1,186,781)	-2.2%
(FMAP)	3,741,500	3,741,500	-	0.0%
Inter-Governmental Transfers (IGT)	24,469,468	24,469,468	0	0.0%
NetDSH	5,051,025	5,051,025	-	0.0%
Total Patient Service Revenue	86,479,757	87,666,538	(1,186,781)	-1.4%
Other revenue	1,245,348	1,508,817	(261,469)	-17.4%
Total operating revenue	87,725,106	89,173,355	(1,448,249)	-1.6%
<b><u>Operating expenses</u></b>				
Salaries and wages	93,526,768	100,760,291	7,233,523	7.2%
Employee benefits	13,252,743	14,277,733	1,024,990	7.2%
Retirement plan contribution	11,628,610	11,628,610	-	0.0%
Supplies	29,191,034	31,133,869	1,942,835	6.2%
Purchased services, rental and other	24,891,196	26,203,440	1,312,244	5.0%
Depreciation*	8,384,204	8,384,204	(0)	0.0%
Utilities	3,287,790	3,845,155	557,365	14.5%
Services contributed by other County offices	754,521	754,521	(0)	0.0%
Total operating expenses	184,916,865	196,987,822	12,070,957	6.1%
Operating Loss	(97,191,759)	(107,814,467)	10,622,708	-9.9%
<b><u>Nonoperating revenue (expense)</u></b>				
Property taxes	25,472,293	25,878,395	(406,101)	-1.6%
Sales taxes	35,023,393	34,985,306	38,087	0.1%
Cigarette taxes	19,506,390	24,195,780	(4,689,390)	-19.4%
Interest income	-	-	-	0.0%
Interest Earnings Transfer Out (Pending)	3,046,876	3,046,876	-	0.0%
Retirement plan contribution	11,628,610	11,628,610	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	754,521	754,521	0	0.0%
Total nonoperating revenue	95,432,082	100,489,487	(5,057,404)	-5.0%
Income (Loss) before other revenue, expenses, gains, losses, and transfers	(1,759,677)	(7,324,981)	5,565,303	-76.0%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (1,759,677)	\$ (7,324,981)	\$ 5,565,303	-76.0%

4/29/2009 2:40 PM

**Cook County Health Facilities Fund of Illinois**  
**Preliminary Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis**  
**Budget For Three Months Ending February 28, 2009 (UNAUDITED)**

**Oak Forest Hospital of Cook County**

	Total for the Three Months Ending February 28, 2008	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<b>Operating revenue</b>				
Patient Service Revenue	\$ 6,793,992	\$ 9,157,922	\$ (2,363,930)	-25.8%
FMAP	741,000	741,000	-	0.0%
Inter-Governmental Transfers (IGT)	4,963,854	4,963,854	0	0.0%
NetDSH	1,000,350	1,000,350	-	0.0%
Total Patient Service Revenue	13,499,196	15,863,126	(2,363,930)	-14.9%
Other revenue	144,759	132,219	12,540	9.5%
Total operating revenue	13,643,955	15,995,346	(2,351,390)	-14.7%
<b>Operating expenses</b>				
Salaries and wages	18,443,052	21,434,244	2,991,193	14.0%
Employee benefits	2,613,380	3,037,233	423,852	14.0%
Retirement plan contribution	2,483,824	2,483,824	-	0.0%
Supplies	4,099,190	4,380,631	281,441	6.4%
Purchased services, rental and other	5,464,163	5,677,997	213,834	3.8%
Depreciation	1,015,952	1,015,952	(0)	0.0%
Utilities	998,734	899,438	(99,296)	-11.0%
Services contributed by other County offices	177,102	177,102	-	0.0%
Total operating expenses	35,295,397	39,106,421	3,811,023	9.7%
Operating Loss	(21,651,442)	(23,111,075)	1,459,633	-6.3%
<b>Nonoperating revenue (expense)</b>				
Property taxes	4,314,781	4,384,346	(69,564)	-1.6%
Sales taxes	5,998,094	5,927,248	70,846	1.2%
Cigarette taxes	3,340,015	4,099,275	(759,260)	-18.5%
Interest income	-	-	-	0.0%
Interest Earnings Transfer Out (Pending)	516,205	516,205	-	0.0%
Retirement plan contribution	2,483,824	2,483,824	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	177,102	177,102	-	0.0%
Total nonoperating revenue	16,830,031	17,587,999	(757,968)	-4.3%
Income (Loss) before other revenue, expenses, gains, losses, and transfers	(4,821,411)	(5,523,076)	701,665	-12.7%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (4,821,411)	\$ (5,523,076)	\$ 701,665	-12.7%

4/29/2009 2:40 PM

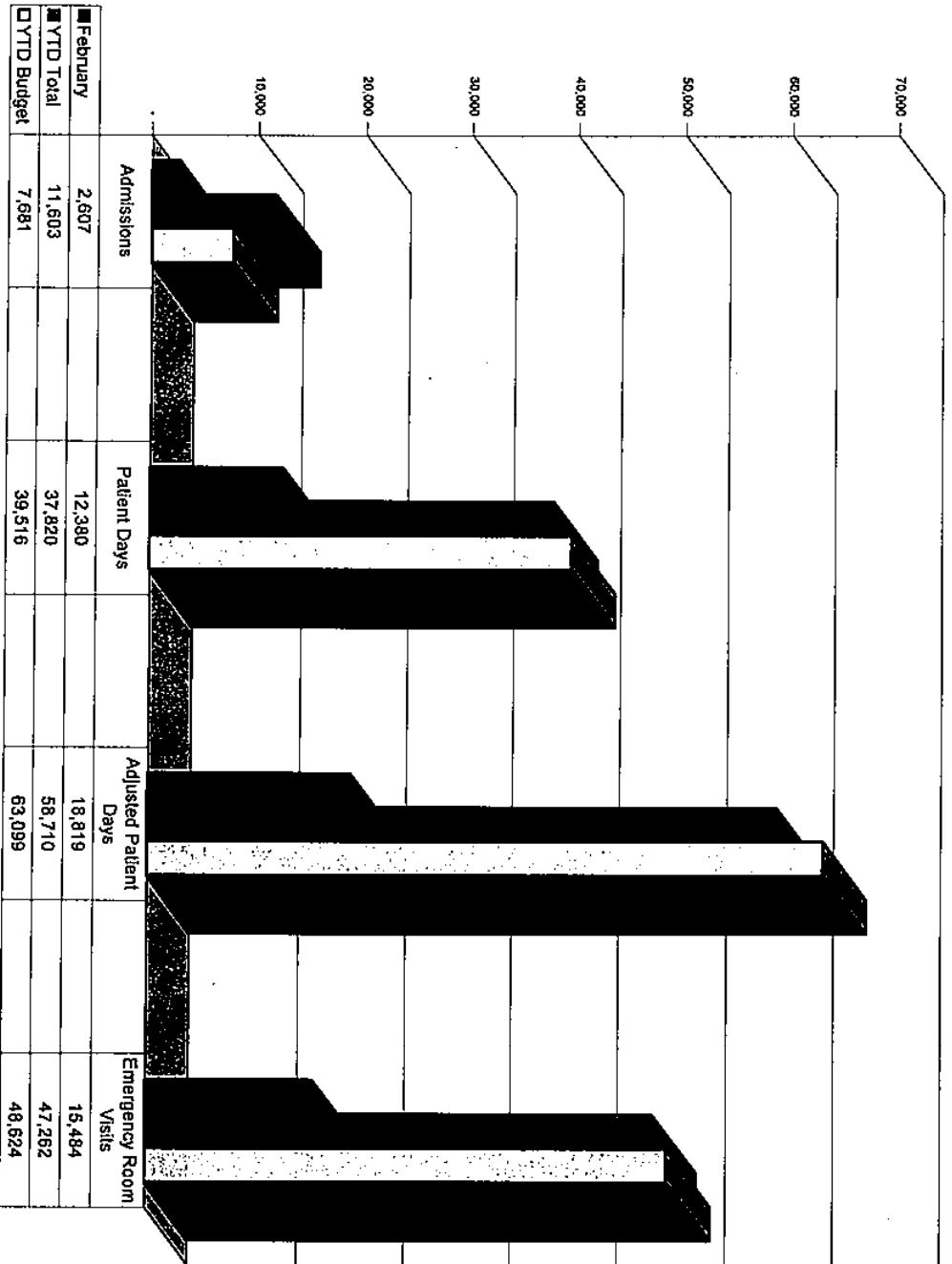
**Cook County Health Facilities Fund of Illinois**  
**Preliminary Statement of Revenues and Expenses vs. Budget - Modified Accrual Basis**  
**Budget For Three Months Ending February 28, 2009 (UNAUDITED)**

**Provident Hospital of Cook County**

	Total for the Three Months Ending February 28, 2009	BUDGET	Difference Favorable (Unfavorable)	Difference as % of Budget
<b><u>Operating revenue</u></b>				
Patient Service Revenue	\$ 7,394,338	\$ 8,920,993	\$ (1,526,655)	-17.1%
FMAP	517,500	517,500	-	0.0%
Inter-Governmental Transfers (IGT)	3,379,177	3,379,177	0	0.0%
NetDSH	698,625	698,625	-	0.0%
Total Patient Service Revenue	11,989,640	13,516,295	(1,526,655)	-11.3%
Other revenue	112,741	133,857	(21,117)	-15.8%
Total operating revenue	12,102,381	13,650,153	(1,547,772)	-11.3%
<b><u>Operating expenses</u></b>				
Salaries and wages	17,442,754	19,406,849	1,964,095	10.1%
Employee benefits	2,471,638	2,749,951	278,312	10.1%
Retirement plan contribution	2,241,506	2,241,506	-	0.0%
Supplies	4,263,824	4,539,548	275,724	6.1%
Purchased services, rental and other	7,865,979	8,439,902	573,923	6.8%
Depreciation	766,169	766,169	(0)	0.0%
Utilities	652,659	590,568	(62,091)	-10.5%
Services contributed by other County offices	91,110	91,110	(0)	0.0%
Total operating expenses	35,795,638	38,825,601	3,029,963	7.8%
Operating Loss	(23,693,257)	(25,175,448)	1,482,191	-5.9%
<b><u>Nonoperating revenue (expense)</u></b>				
Property taxes	5,744,187	5,834,291	(90,104)	-1.5%
Sales taxes	7,768,689	7,887,447	(118,758)	-1.5%
Cigarette taxes	4,325,964	5,454,945	(1,128,981)	-20.7%
Interest income	-	-	-	0.0%
Interest Earnings Transfer Out (Pending)	686,919	686,919	-	0.0%
Retirement plan contribution	2,241,506	2,241,506	-	0.0%
Working cash revenue	-	-	-	0.0%
Services contributed by other County Offices	91,110	91,110	0	0.0%
Total nonoperating revenue	20,858,374	22,196,217	(1,337,843)	-6.0%
Income (Loss) before other revenue, expenses, gains, losses, and transfers	(2,834,883)	(2,979,231)	144,348	-4.8%
Income (Loss) on disposal of fixed assets	-	-	-	0.0%
Capital Contributions	-	-	-	0.0%
Change in net assets	\$ (2,834,883)	\$ (2,979,231)	\$ 144,348	-4.8%

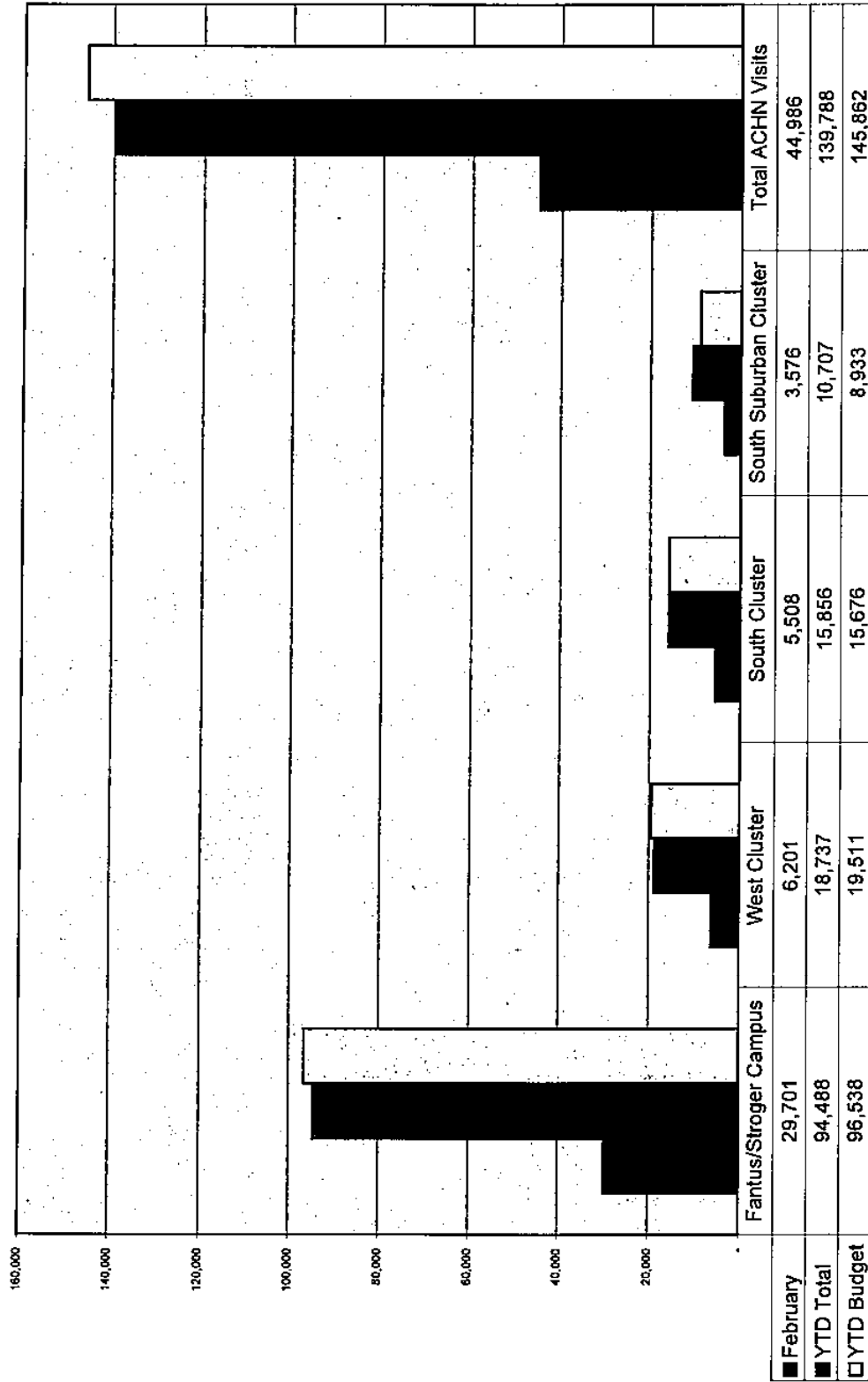
Cook County Health and Hospitals System  
Utilization Factors YTD February 2009

System Hospitals Combined



Cook County Health Hospital System  
Utilization Factors YTD February 2009

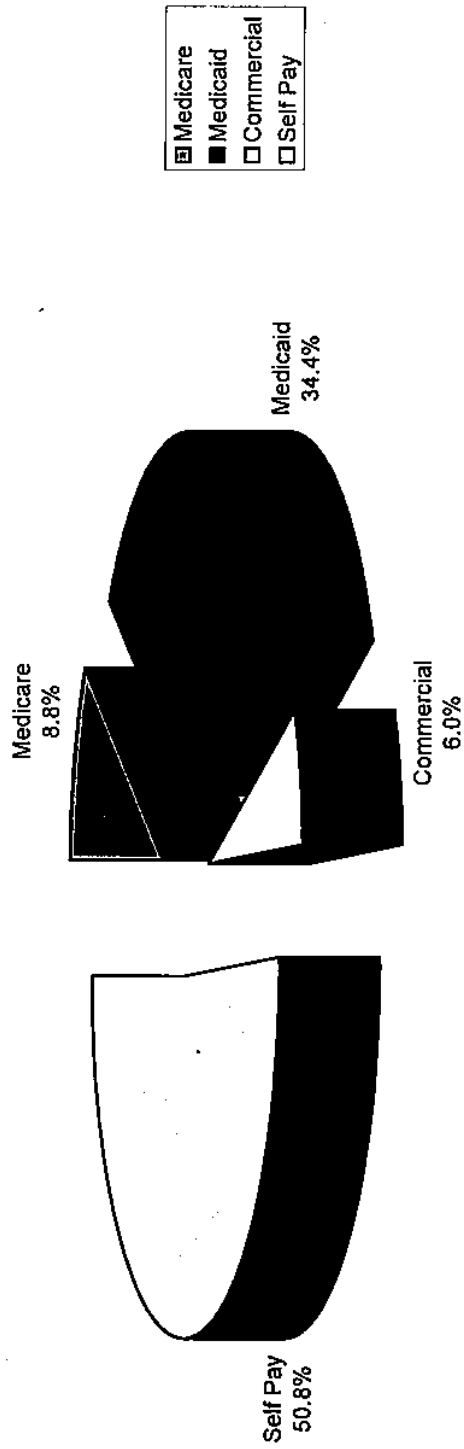
ACHN - Clinics



**Cook County Health & Hospitals System  
Utilization Factors**

	<b>2009 February</b>	<b>YTD Total</b>	<b>YTD Budget</b>	<b>YTD Variance</b>	<b>%% Variance</b>
<b><u>J.H. Stroger Hospital</u></b>					
Admissions	1,891	9,496	5,717	3,779	66.1%
Patient days	8,904	27,407	28,548	(1,141)	-4.0%
Adjusted Patient Days	13,434	40,946	45,630	-4,684	-10.3%
Emergency Room Visits	10,203	30,808	31,623	-815	-2.6%
Case Mix Index		2			
Average Length of Stay	4.8		4.9	0.2	3.1%
<b><u>Provident Hospital</u></b>					
Admissions	458	1,358	1,276	82	6.4%
Patient days	1,714	5,331	5,118	213	4.2%
Adjusted Patient Days	2,632	8,137	8,565	(428)	-5.0%
Emergency Room Visits	2,923	9,162	9,927	-765	-7.7%
Case Mix Index		2			
Average Length of Stay	3.8		3.8	0.0	-0.8%
<b><u>Oak Forest Hospital</u></b>					
Admissions	258	749	688	61	8.8%
Patient days	1,762	5,082	5,849	-767	-13.1%
Adjusted Patient Days	2,753	9,627	8,904	723	8.1%
Emergency Room Visits	2,358	7,292	7,074	218	3.1%
Case Mix Index		2			
Average Length of Stay - Acute	4.0		6.5	2.5	38.6%
Average Length of Stay - Rehab	22.8		16.8	-6.0	-35.7%
<b><u>Total System</u></b>					
Admissions	2,607	11,603	7,681	3,921	51.0%
Patient Days	12,380	37,820	39,516	-1,696	-4.3%
Adjusted Patient Days	18,819	58,710	63,099	(4,389)	-7.0%
Emergency Room Visits	15,484	47,262	48,624	-1,362	-2.8%
<b>Cook County Health &amp; Hospitals System ACHN - Clinics</b>					
Fantus/Stroger Campus	29,701	94,486	96,538	-2,050	-2.1%
West Cluster	6,201	18,737	19,511	-774	-4.0%
South Cluster	5,508	15,856	15,676	180	1.1%
South Suburban Cluster	3,576	10,707	8,933	1,774	19.9%
Total ACHN Visits	44,986	139,788	145,862	-6,074	-4.2%

February 2009 YTD  
Payer Mix Comparison Cook County Health & Hospitals System Combined IP/OP



Cook County Health and Hospitals System Top Ten DRG's for Each Facility						
<b>Stroger Hospital</b>						
Rank	Description	DRG	Total Patients	Total Days	Avg LOS	Case Mix
1	ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS W	392	55	151	2.75	0.6703
2	RED BLOOD CELL DISORDERS W/O MCC	812	41	135	3.29	0.7630
3	VAGINAL DELIVERY W/O COMPLICATING DIAGNOSES	775	38	115	3.03	0.4800
4	CELLULITIS W/O MCC	803	37	115	3.11	0.8027
5	CHEST PAIN	313	35	72	2.05	0.5314
6	BRONCHITIS & ASTHMA W/O CC/MCC	203	34	88	2.59	0.5956
7	OTHER ANTEPARTUM DIAGNOSES W MEDICAL COMPLICATION	781	30	99	3.30	0.6170
8	PERIPHERAL VASCULAR DISORDERS W/O CC/MCC	301	25	57	2.28	0.6606
9	HEART FAILURE & SHOCK W/O CC/MCC	283	24	70	2.29	0.7220
10	BRONCHITIS & ASTHMA W CC/MCC	202	22	66	3.00	0.8157
<b>Provident Hospital</b>						
Rank	Description	DRG	Total Patients	Total Days	Avg LOS	Case Mix
1	CHEST PAIN	313	52	115	2.21	0.5314
2	HEART FAILURE & SHOCK W CC	282	20	130	6.50	1.0069
3	VAGINAL DELIVERY W/O COMPLICATING DIAGNOSES	775	19	53	2.79	0.4800
4	HEART FAILURE & SHOCK W/O CC/MCC	293	17	51	3.00	0.7220
5	ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS W	392	13	44	3.38	0.6703
6	BRONCHITIS & ASTHMA W/O CC/MCC	203	12	32	2.67	0.5956
7	BRONCHITIS & ASTHMA W CC/MCC	202	10	35	3.50	0.8157
8	POISONING & TOXIC EFFECTS OF DRUGS W/O MCC	918	10	24	2.40	0.5812
9	SYNCOPE & COLLAPSE	312	9	34	3.78	0.7097
10	DIABETES W/O CC/MCC	639	9	24	2.67	0.5598
<b>Oak Forest Hospital of Cook County</b>						
Rank	Description	DRG	Total Patients	Total Days	Avg LOS	Case Mix
1	CHEST PAIN	313	34	87	2.56	0.5314
2	ESOPHAGITIS, GASTROENT & MISC DIGEST DISORDERS W	392	19	48	2.53	0.6703
3	CELLULITIS W/O MCC	803	8	42	5.25	0.8027
4	BRONCHITIS & ASTHMA W/O CC/MCC	203	7	10	1.43	0.5956
5	HEART FAILURE & SHOCK W CC	292	7	30	4.29	1.0069
6	DIABETES W/O CC/MCC	639	7	22	3.14	0.5696
7	OTITIS MEDIA & URI W/O MCC	153	6	11	1.83	0.5974
8	CARDIAC ARRHYTHMIA & CONDUCTION DISORDERS W/O CC	310	6	17	2.83	0.5843
9	NUTRITIONAL & MISC METABOLIC DISORDERS W/O MCC	841	6	19	3.17	0.6820
10	BRONCHITIS & ASTHMA W CC/MCC	202	5	17	3.40	0.8157



Cook County Health and Hospitals System  
Analysis of Vendor Performance  
2/1/09 to 3/31/09

Vendor Eligibility Referral - Performance

	February 2009				March 2009				Total				Grand Total
	GLM	HRM	CEA	ESI	GLM	HRM	CEA	ESI	GLM	HRM	CEA	ESI	
<b>John Stroger Hospital</b>													
Referred	260	211	824	297	300	214	918	296	560	425	1,742	593	3,320
Approved	15	17	117	35	44	17	190	35	59	34	307	70	470
Percentage Approved	6%	8%	14%	12%	15%	8%	21%	12%	11%	8%	18%	12%	14%
<b>Providence Hospital</b>													
Referred	113	80	-	67	73	24	-	41	186	84	-	108	378
Approved	21	20	-	4	14	15	-	9	35	35	-	13	83
Percentage Approved	19%	33%	-	6%	19%	63%	-	22%	19%	42%	-	12%	22%
<b>Oak Forest Hospital</b>													
Referred	-	7	-	29	62	49	-	49	62	56	-	78	196
Approved	2	-	-	25	14	-	-	11	16	-	-	36	52
Percentage Approved	#DIV/0!	0%	-	86%	23%	0%	-	22%	26%	0%	-	46%	27%
Total Referred	373	278	824	393	435	287	918	386	808	565	1,742	779	3,894
Total Approved	38	37	117	64	72	32	190	55	110	69	307	119	605
Total Percentage Approved	10%	13%	14%	16%	17%	11%	21%	14%	14%	12%	18%	15%	16%

Analysis does not include GLM's, ESI's, and HRM's 2432 activity

4/29/2009

COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
**FINANCIAL STATEMENT DISCLOSURE CHECKLIST**  
 Fiscal Year 2009

DRAFT

**OBJECTIVE:**

The object of this checklist is to help determine if the form and contents of the financial statements are in conformity with the accounting standards applicable to financial statement basis of accounting.

**DISCLOSURE PRINCIPLES:**

Note: Management can comply with a disclosure principle by making disclosure in body of financial statements or in the notes accompanying the financial statements. In a compilation engagement, management's election to omit substantially all disclosures applies to all disclosure principles in GAAP financial statements.

	Yes, N/A, No?	If no, state reason (immaterial, estimated, etc.)
<b>INCOME STATEMENT:</b>		
1. Are unusual gains or losses other than extraordinary items shown separately? .....		
2. Are current and deferred income taxes shown separately? .....		
3. Are the results of discontinued operation shown? .....		
4. Are extraordinary items properly shown? .....		
 <b>STATEMENT OF COMPREHENSIVE INCOME:</b>		
1. Have following comprehensive income items been properly presented:		
* Unrealized gain (losses) on available-for-sale securities? .....		
* Minimum pension liability adjustments? .....		
2. Has comprehensive income been properly presented following FASB 130 (format A, B, or C)? .....		
 <b>FINANCIAL STATEMENT REFERENCES:</b>		
1. Do the financial statements reference footnotes or selected information? .....		

**COOK COUNTY HEALTH AND HOSPITALS SYSTEM**  
**FINANCIAL STATEMENT DISCLOSURE CHECKLIST**  
**Fiscal Year 2009**

DRAFT

**DISCLOSURE PRINCIPLES:**

**Note:** Management can comply with a disclosure principle by making disclosure in body of financial statements or in the notes accompanying the financial statements. In a compilation engagement, management's election to omit substantially all disclosures applies to all disclosure principles in GAAP financial statements.

	Yes, N/A, No?	If no, state reason (immaterial, estimated, etc.)
<b>GENERAL DISCLOSURES:</b>		
<b><u>A. Summary of Significant Policies:</u></b>		
1. Policies about cash and cash equivalents (see cash sections)? .....		
2. Policies about receivables (see receivable sections)? .....		
3. Policies about inventory (see inventory sections)? .....		
4. Policies about property, plant and equipment (see property, plant and equipment sections)? .....		
5. Policies and advertising (see advertising sections)? .....		
<b><u>B. Estimates (AcSOP 94-6):</u></b>		
1. General disclosure about use of estimates? (§11) .....		
2. Disclosure of possible changes in estimates? (§12) .....		
<b><u>C. Vulnerabilities due to concentrations in following areas disclosed? (AcSOP 94-6, §20-22):</u></b>		
1. Customers? .....		
2. Suppliers? .....		
3. Lenders? .....		
4. Products? .....		
5. Supply of materials, labor or supplies? .....		
6. Location of assets in geographic area? .....		
<b><u>D. Related parties (FASB 57):</u></b>		
1. Known common control and economic dependency disclosure? .....		
2. Known transactions with related parties disclosed? .....		
<b><u>E. Commitments (FASB 5):</u></b>		
1. Unused letters of credit disclosed? .....		
2. Existence of guarantees disclosed? .....		
3. Stock repurchase commitments disclosed? .....		
<b><u>F. Financial Instruments in general (FASB 107):</u></b>		
1. Concentration of credit risk? .....		
2. Fair values of financial instruments disclosed? .....		

COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
**FINANCIAL STATEMENT DISCLOSURE CHECKLIST**  
 Fiscal Year 2009

DRAFT

**DISCLOSURE PRINCIPLES:**

Note: Management can comply with a disclosure principle by making disclosure in body of financial statements or in the notes accompanying the financial statements. In a compilation engagement, management's election to omit substantially all disclosures applies to all disclosure principles in GAAP financial statements.

	Yes, N/A, No?	If no, state reason (immaterial, estimated, etc.)
<b>OTHER DISCLOSURE AREAS TO BE CONSIDERED:</b>		
1. Method of consolidations? .....		
2. Purchased or developed computer software? .....		
3. Subsequent events? (FASB 5, ¶11) .....		
4. Accounting changes including changes in GAAP and in estimates? .....		
5. Business combinations? .....		
6. Discontinues operations? .....		
7. Prior-Period adjustments? .....		
8. Nonmonetary transactions? .....		
9. Going concern? .....		
10. Computer Software costs and revenues? .....		
<b>EQUITY (FASB 129):</b>		
1. Are the details of capital stock disclosed? .....		
2. Are number of shares and cost of treasury stock disclosed, if presented? .....		
<b>STATEMENT OF CASH FLOWS:</b>		
1. Accounting policy for cash and cash equivalents? .....		
2. Non-cash financing and investing activities? .....		
3. Cash paid for income taxes and interest (indirect method)? .....		
4. Reconciliation of net income to cash flows from operating activities (direct method)? .....		

**COMMENTS:**


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Completed by \_\_\_\_\_  
 Reviewed by \_\_\_\_\_

Date \_\_\_\_\_  
 Date \_\_\_\_\_

Cook County Health and Hospitals System  
Report of the Meeting of the Finance Committee  
April 30, 2009

ATTACHMENT #2



# Cook County Health and Hospitals System

Revenue Cycle Re-Engineering

Finance Committee Update

April 30, 2009



# Agenda

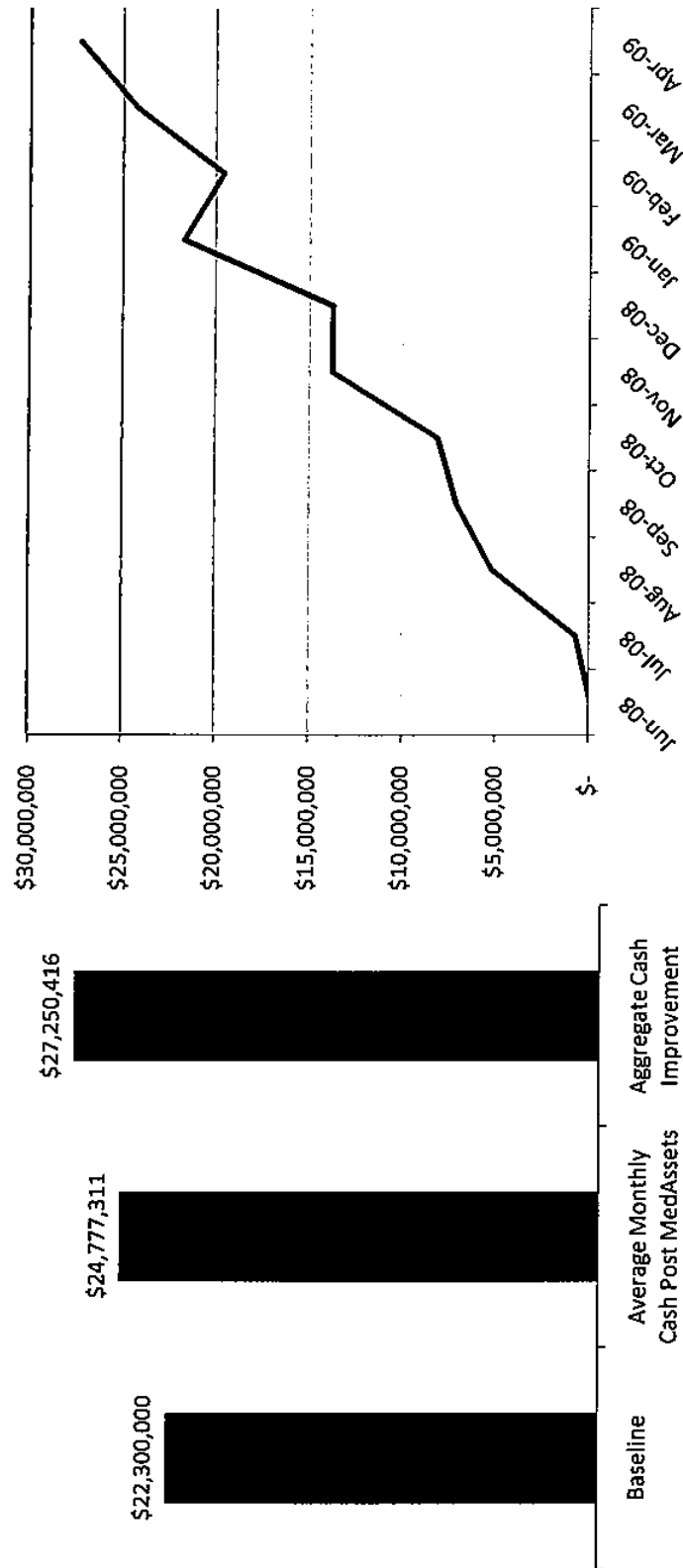
- Results to date
- Operational Updates
- Next Steps

## MedAssets Representatives

- Gretchen Ryan – Project Director

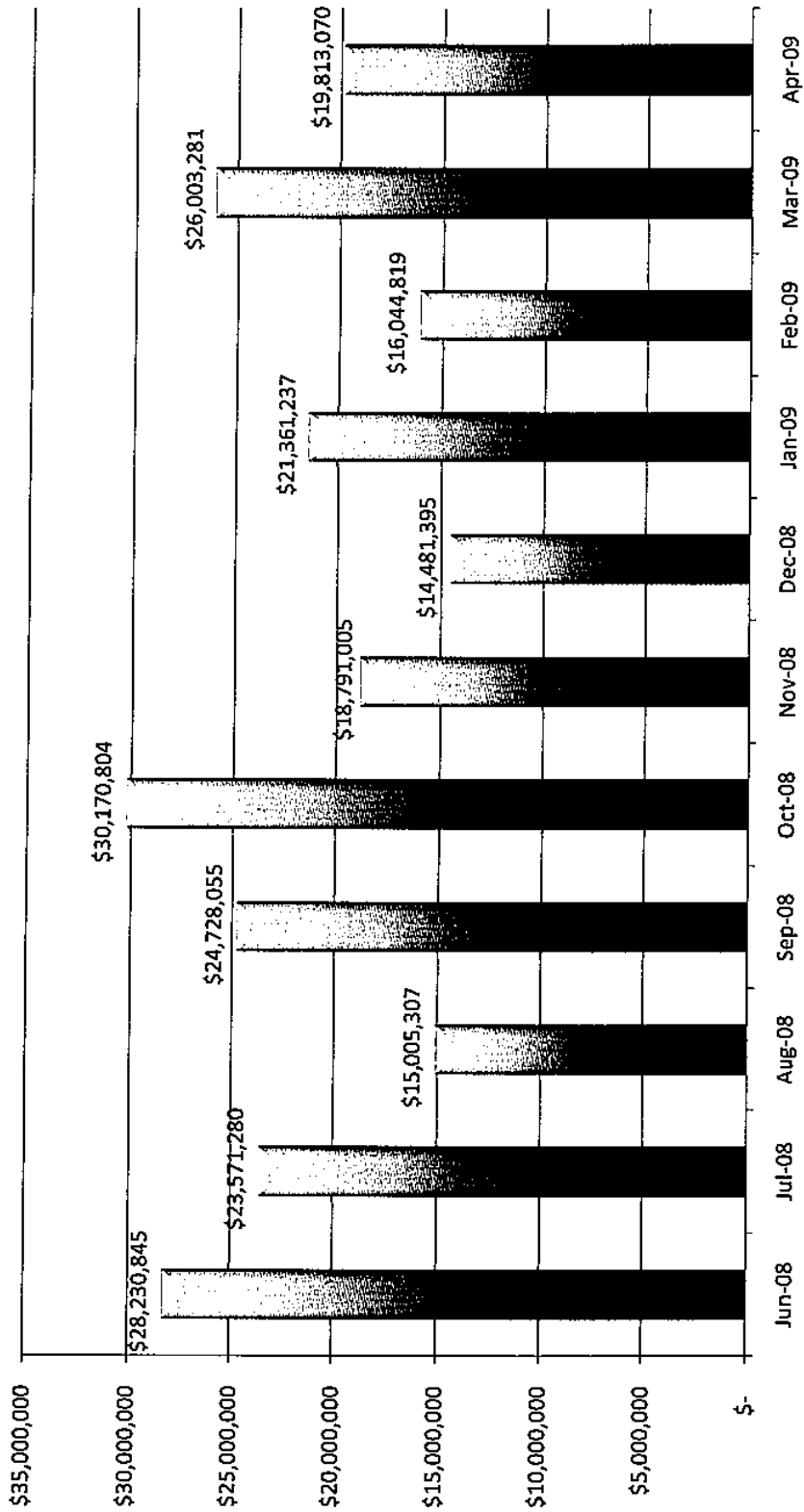
# Results to Date – Cash Improvement

Actual through March plus pro-forma (projected) April





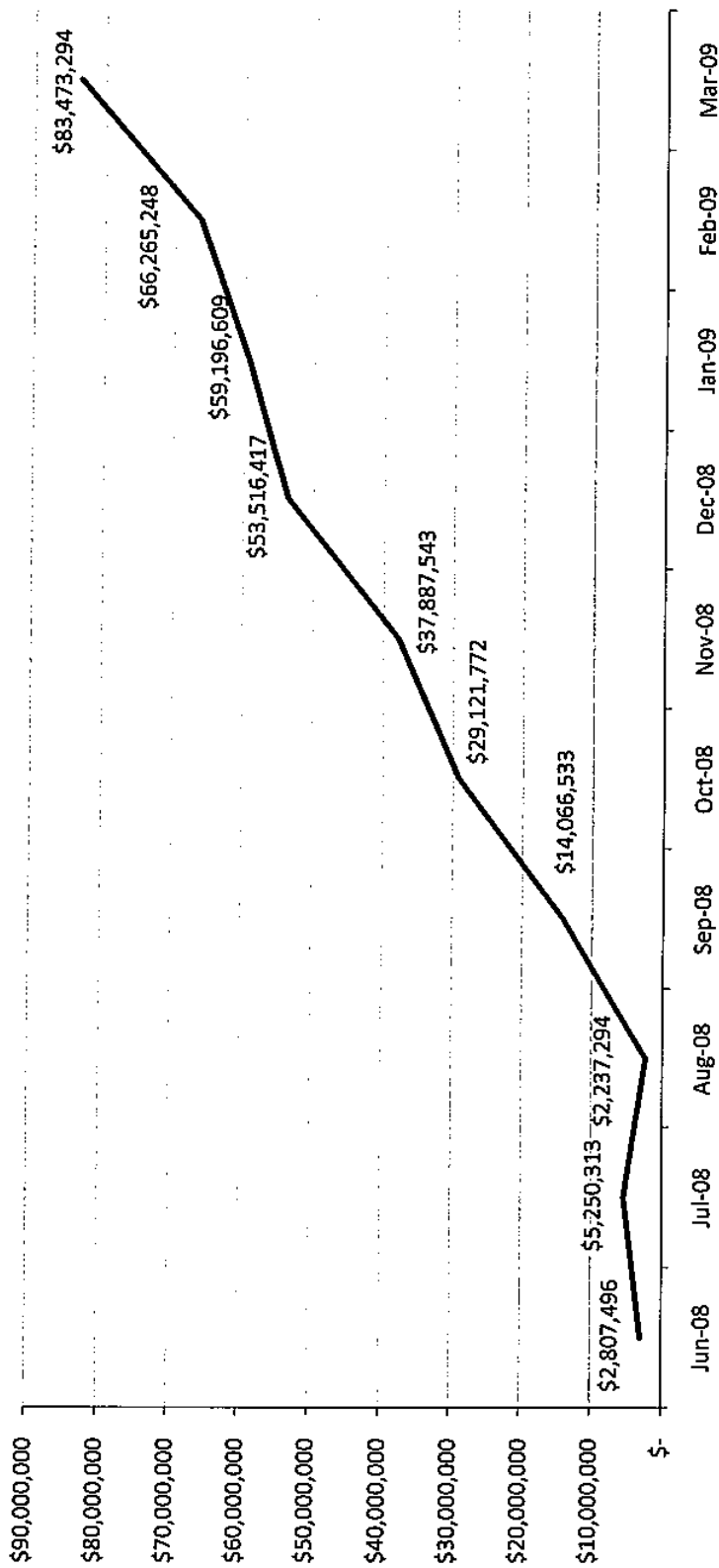
# Results to Date – CCHHS Inpatient DNFB Total Dollars



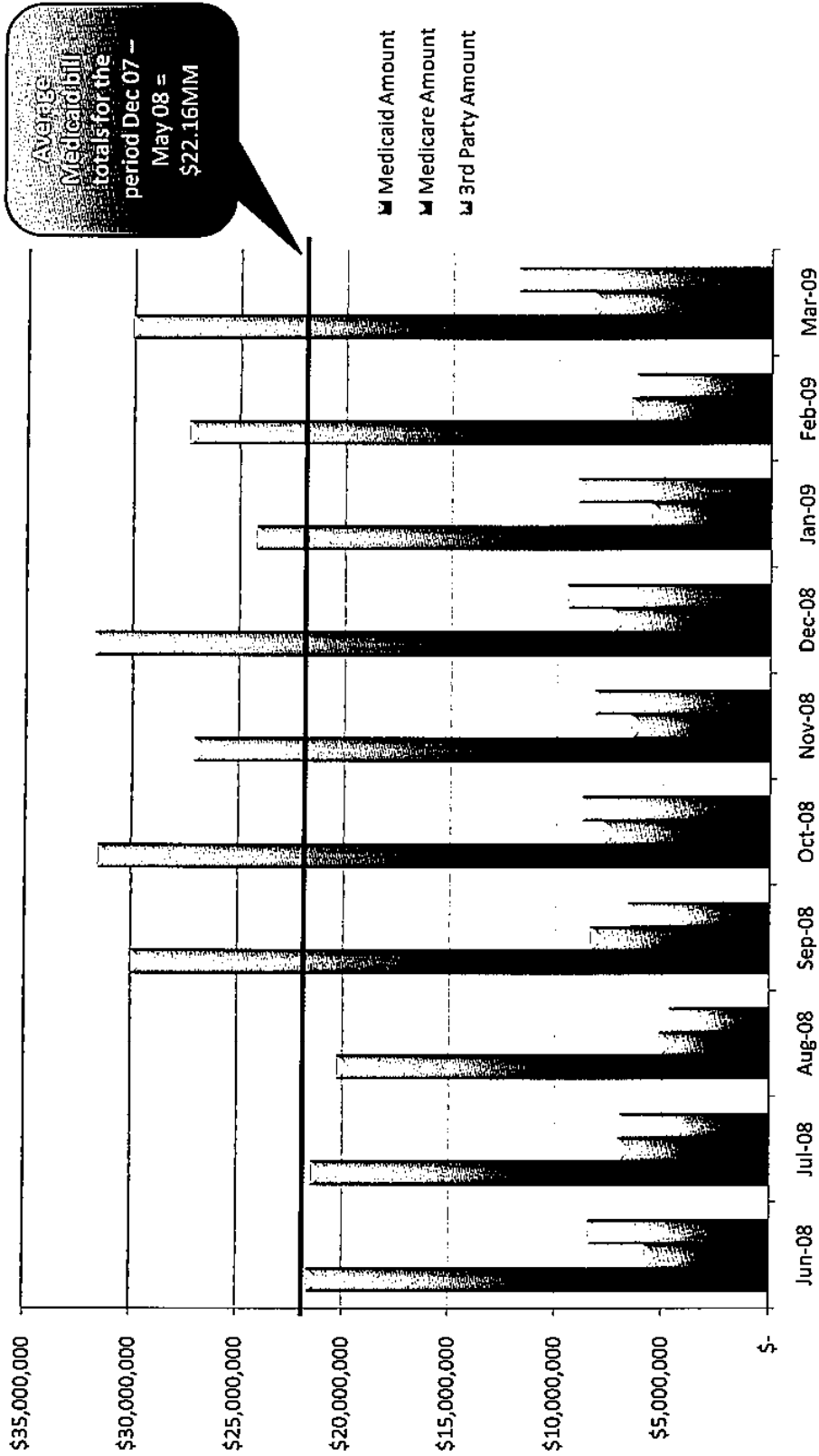
# Results to Date - CCHHS Total Dollars Billed

## Aggregate Improvement

(as compared to average billed dollars per month - \$32.97 MM Dec 07 – May 08 )



# Results to Date – CCHHS Total Dollars Billed by Payer



## **Operational Updates Financial Counseling**

- **Pending final resolution of Medicaid “re-basing” and policy approval**
- **Vendor daily approval matching process results - Outpatient Accounts**
  - April 2009, identified \$617k (total charges) billed to Medicaid

# Operational Updates

## Patient Access Services

- **High Dollar/Long Lengths of Stay Monitoring**
  - Re-verify benefits every month to secure continued reimbursement
- **Stroger Administration Support**
  - Develop new census reporting for administration
  - Partnered to support new patient through put plan
- **IT Partner Opportunities**
  - Develop registration training in support of Cerner 2007 upgrade system-wide
  - Develop comprehensive registration training for Provident Cerner Patient Management Implementation
  - Provide subject matter expertise support as required
  - Provide Revenue Cycle leadership to assist with technology testing
- **Interim Registration Accuracy support**
  - MedAssets augmented staff continue to identify and correct registration errors
  - Two week analysis shows \$236k (total charges) of potential lost reimbursement

# Operational Updates

## Revenue Control/Charge Capture

- **Radiation Therapy**
  - Varian to SMS (billing) interface is live
  - Dr. Holloway agreed to provide billing specialist for 20 hours per week
- **New Clinic Services Revenue Cycle Support**
  - Provide implementation assistance
  - Provide physicians real time feedback on charging and documentation
  - Provide ACHN timely feedback on quality documentation, charging and financial results
- **Hemodialysis**
  - IT currently testing electronic data exchange for required billing data elements for Medicare
- **Same Day Surgery**
  - New electronic charging process implemented April 2009, resulting in captured surgical charges not previously billed
- **Multiple outpatient visits on the same date of service**
  - Revenue Cycle Steering Committee approved recommendation to properly capture and bill for services rendered in both Hospital Based and ACHN clinics

# Operational Updates

## Patient Accounting

- Implemented weekly review of claims submissions to monitor for variances
- Working with Provident Administration to transition new Revenue Cycle Leadership
- Partnering with Provident leadership and IT to support the Cerner PM Implementation
- Implementation of Administrative Adjustment and Self-Pay Policy
  - Currently in testing phase
- Same Day Surgery Implementation
  - Validated claims submission and acceptance by payor
- Section 1011 Federal Undocumented Reimbursement
  - Implemented process to bill claims on a regular quarterly schedule
- Implementing standard Physician Master Table to include Federally issued identification codes

# **Operational Updates**

## **Revenue Cycle Reorganization**

- **Facility Level staff meeting**
  - Department Directors working with facility leadership to hold ongoing staff meetings to communicate Revenue Cycle plans and updates
- **HIM continues to work with Labor Relations and the Unions to successfully implement staffing recommendations**
- **We met with Union staff regarding the successfully negotiated Pre-Visit Services Team transition**
- **Revenue Cycle Steering Committee**
  - Reviewed Charge Capture/Revenue Control status
  - Committee requested MedAssets provide highlights at next Finance Committee Meeting update



## **Next Steps**

- **Charge Description Master Mappings and Clean-up**
- **Electronic Charge Entry System-wide**
- **Cerner Scheduling Technology Opportunities**
- **Finalize Cerner Patient Registration Best Practice Redesign**
- **Implement Standardized Reporting, Quality, and Productivity Tools**
- **Implement Multiple Visit Recommendation**

Cook County Health and Hospitals System  
Report of the Meeting of the Finance Committee  
April 30, 2009

ATTACHMENT #3

# **CONTRACT SERVICES FOR UNFUNDED BUREAUWIDE PATIENTS**

**LONG TERM CARE**

**SHORT TERM CARE**

# BACKGROUND

PRIOR TO 2007 OAK FOREST HOSPITAL PROVIDED LONG TERM CARE SERVICES FOR ALL BUREAUWIDE HOSPITALS

INCLUDED SUB-ACUTE CARE (SHORT TERM IV ANTIBIOTICS; WOUND CARE)

SKILLED CARE (REHABILITATION SERVICES; TUBE FEEDINGS; TRACHEOSTOMY)

CUSTODIAL CARE ( SUPERVISION, NO SKILLED NEEDS)

2006 MEDICARE COST REPORT REFLECTS COST OF \$850 PER LTC PATIENT

COST OF LTC ESTIMATED AT 50 MILLION WITH 13 MILLION IN REVENUE

BUREAU LEADERSHIP AND DR. SIMON PROPOSED LONG TERM CARE CLOSURE FOR 2007 BUDGET

DISPLACEMENTS/LAYOFFS OCCURRED REMOVING POSITIONS FROM LONG TERM CARE UNITS

# RFP PROCESS

- 7 PROPOSALS RECEIVED FOR LONG TERM CARE (CUSTODIAL)  
TO MEET THE NEEDS OF 31 UNFUNDED PATIENTS AT OAK  
FOREST HOSPITAL
- 3 PROPOSALS RECEIVED FOR SHORT TERM CARE (SUB-ACUTE;  
SKILLED)  
TO MEET THE NEEDS OF SHORT TERM CARE PATIENTS BEING  
DISCHARGED FROM ANY BUREAU HOSPITAL
- REVIEW PROCESS INCLUDED SYLVIA EDWARDS, COO; SHIRLEY  
BOMAR-COLE, DEPUTY COO; DR. JO GERTZEN, MD;  
SHARON FREYER, RN; CATHY DICANGI, RN, NHA
- NEW YORK BOYS AWARDED THE CONTRACTS FOR LONG TERM  
CARE AND SHORT TERM CARE

## **RFP CRITERIA**

- **ALL INCLUSIVE RATE**
- **COST PER DAY**
- **FACILITY ABILITY TO MEET PATIENTS NEEDS AND NUMBER OF ADMISSIONS**
- **EXCEPTIONS TO CONTRACT TERMS**
  - **ALA CARTE PRICING**
  - **EXCLUSIVE REFERRAL SOURCE FOR ALL LTC/STC PATIENTS**
- **ON-SITE VISIT**
  - **CLEANLINESS/OVERALL APPEARANCE**
  - **ACTIVITIES/THERAPIES**
  - **MEALS**
  - **STAFFING**

# CONTRACT TERMS

- ALL INCLUSIVE RATE (PHYSICIAN SERVICES; MEDS; OXYGEN; CLOTHING; LAB; RADIOLOGY; TRANSPORTATION)
- 10 DAY BED HOLD POLICY FOR HOSPITALIZATION
- IF PATIENT SELF DISCHARGES/AMA, NO LONGER PART OF THE CONTRACT
- PATIENTS TO RETURN TO COUNTY FACILITIES AT TERMINATION OR EXPIRATION OF CONTRACT
- FOR SHORT TERM CARE PATIENTS TIME LIMITED BASED ON PATIENT NEEDS
- OFH QUARTERLY VISITS TO ASSESS QUALITY OF CARE

## **LONG TERM CARE CONTRACT**

- **\$5,594,902 TOTAL CONTRACT**
- **3 YEAR CONTRACT 8/1/07-7/31/10**
- **YEAR 1: \$165.95 PER PATIENT PER DAY**
- **YEAR 2: \$170.00 PER PATIENT PER DAY**
- **YEAR 3: \$175.00 PER PATIENT PER DAY**



# **LONG TERM CARE CONTRACT**

- **TRANSFER OF LTC UNFUNDED PATIENTS  
STARTED IN AUGUST 2007**
- **31 RESIDENTS TRANSFERRED**
- **2 PATIENTS ADDED IN 2009 (STROGER  
PATIENTS)**
- **CURRENT LTC RESIDENTS: 24**

# LONG TERM CARE CONTRACT OAK FOREST HOSPITAL

1	8/1/07-7/31/08	7863	\$1,195,213
2	8/1/08-7/31/09	4600 (THRU 2/09)	\$782,000
TOTAL		12,463	\$1,977,213

# **SHORT TERM CARE CONTRACT STROGER, OAK FOREST, PROVIDENT**

- 3 YEAR CONTRACT 8/1/07-7/31/10
- \$13,249,500 TOTAL CONTRACT AMOUNT
- YEAR 1 \$385 PER PATIENT PER DAY
- YEAR 2 \$400 PER PATIENT PER DAY
- YEAR 3 \$425 PER PATIENT PER DAY

# STROGER HOSPITAL SHORT TERM CARE CONTRACT

1	8/1/07-7/31/08	4377	\$1,685,048
2	8/1/08-7/31/09	3982 (THRU 2/09)	\$1,592,800
TOTAL		8359	\$3,277,848

# OAK FOREST HOSPITAL SHORT TERM CARE CONTRACT

1	8/1/07-7/31/08	9	\$3,465
2	8/1/08-7/31/09	47 (THRU 2/09)	\$18,800
TOTAL		56	\$22,265

## **ONGOING RESPONSIBILITY**

- **AT THE TIME OF THE CONTRACT THE COUNTY BOARD ASSUMED FULL RESPONSIBILITY FOR UNFUNDED PATIENTS**
- **FUTURE RESPONSIBILITY NOT YET DETERMINED; CONTRACTS END ON 7/31/10**

## **ALTERNATIVE DISCHARGE PLANS FROM OTHER HOSPITALS**

- **PATIENTS REMAIN HOSPITALIZED UNTIL TREATMENT IS COMPLETED (STC)**
- **INFUSION CENTER FOR DAILY IV THERAPY (STC)**
- **HOSPITAL FUNDED HOME HEALTH SERVICES**
- **HOSPITAL ASSISTS THE PATIENT TO RETURN TO HIS HOMELAND (LTC) WORKING WITH LOCAL CONSULATES**
- **DISCHARGE TO SHELTERS**
- **REFERRAL TO COOK COUNTY FACILITIES**

## **CURRENT STATUS**

- **ORIGINAL CERTIFICATE OF NEED FILED  
APRIL 2007**
- **SECOND CERTIFICATE OF NEED TO BE RE-  
FILED PENDING COMPLETION OF  
DOCUMENTS NEEDED FROM STROGER  
HOSPITAL**
- **CURRENTLY 5 LONG TERM CARE PATIENTS  
AT OAK FOREST**



Cook County Health and Hospitals System  
Report of the Meeting of the Finance Committee  
April 30, 2009

ATTACHMENT #4

**COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

**Approval for Payment**

**Date:** March 24, 2009 **AS AMENDED**

*Withdrawn  
4/30/09*

**Sponsor:** Johnny C. Brown  
Chief Operating Officer

**Operating Unit:** John H. Stroger, Jr. Hospital of Cook County

**Description of Services:** Guillermo E. Font, M.D. (2600 West Division, Chicago, IL 60622) for the provision of Consulting Services in the Department of Obstetrics and Gynecology to provide Obstetrics and Maternal Fetal Medicine.

**Justification for This Contract:** The Department of Obstetrics and Gynecology was required by the Illinois Department of Public Health Services to have on staff two Maternal Fetal Medicine Physicians. Due to lack of time and inability to hire a MFM physician at this time, Dr. Font was contracted to fill this role until a proper replacement has been hired (to maintain accreditation). Dr. Font's paper work was initially sent to Downtown Purchasing in two different payments. Per the request of the Purchasing Agent, the payments were to be combined and System Board approved.

**Cost of Contract And Terms:** December 1, 2008 thru February <sup>28</sup>~~29~~, 2009  
600 hours @ \$115.57 per hour = \$69,342.00

October 9, 2008 thru November 30, 2008  
320 hours @ \$115.57 per hour = \$36,982.40

**Budget Info:** **Total Fiscal Impact: \$106,324.40**  
**Budget Acct. No. 897 - 272**

**Signatures:**

Chief Operating  
Officer

*[Signature]* 4/20/09

Operating Unit CFO

*[Signature]*

CCHHS Director of  
Purchasing

*[Signature]*

CCHHS CEO

*[Signature]*

**COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

**Request to Increase Purchase Order**

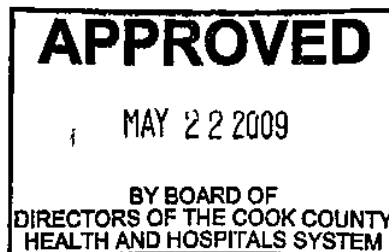
**AS AMENDED**

**Date:** May 20, 2009

**Sponsor:** Leslie Duffy, R.N., M.B.A.  
Senior Director Supply Chain Management

**Operating Unit:** Cook County Health & Hospitals System

**Description of Services:** D. Scott-Turkovich (6542, 164<sup>th</sup> Place, Tinley Park, IL 60477) for the provision of Professional Services.



**Justification:**

- A. Responsibilities shall include creation of various departmental forms and spreadsheets to aid in tracking requisitions and work flow, assisting hospital staff regarding purchases, procuring supplies and equipment for ancillary departments, working with expenditure control to get requisitions processed and completed, and assisting purchasing staff as needed
- B. Contractor will be expected to be cross trained into other purchasing duties so all functions of purchasing will be covered at all times.
- C. Contractor will have functional knowledge of Microsoft Word, Excel, and PowerPoint.

**Cost of Contract And Terms:**

Increase PO 165124 for Dana Scott-Turkovich in the amount of \$44,000.00 / \$25.00 per hour for 40 hours per week for 44 weeks covering from March 1, 2009 through January 1, 2010. The original Purchase Order was issued in the amount of \$17,000.00 to cover the period from November 3, 2008 through February 28, 2009.

**Budget Info:** 890-260

**Signatures:**

Operating Unit CFO

CCHHS Director of Purchasing

CCHHS CEO

**COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

**Request to Increase Purchase Order**

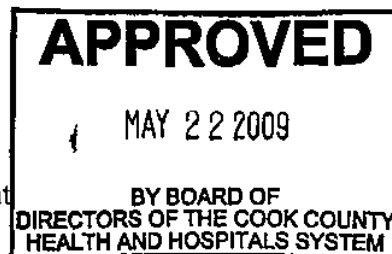
**AS AMENDED**

**Date:** May 20, 2009

**Sponsor:** Leslie Duffy, R.N., M.B.A.  
Senior Director Supply Chain Management

**Operating Unit:** Cook County Health & Hospitals System

**Description of Services:** L. Graves (1806 Ridgemoor Drive, Plainfield, IL 60586) for the provision of Professional Services.



**Justification:**

- A. Responsibilities shall include creation of transmittals for Board review and approval, assisting hospital staff regarding purchases, procuring supplies and equipment for ancillary departments, working with expenditure control to get requisitions processed and completed, and assisting purchasing staff as needed
- B. Contractor will be expected to be cross trained into other purchasing duties so all functions of purchasing will be covered at all times.
- C. Contractor will have functional knowledge of Microsoft Word, Excel, and PowerPoint.

**Cost of Contract And Terms:** \$20.00 per hour for 40 hours per week for 44 weeks covering from March 1, 2009 through January 1, 2010. The original Purchase Order was issued in the amount of \$16,800.00 to cover the period from November 3, 2008 through February 28, 2009.

**Budget Info:** 890-260

**Signatures:**

Operating Unit CFO

CCHHS Director of Purchasing

CCHHS CEO

**COOK COUNTY HEALTH AND HOSPITALS SYSTEM**

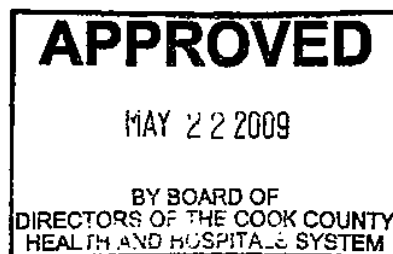
**Request for a New Contract to Enter Into a Contract**

**AS AMENDED**

**Date:** April 13, 2009

**Sponsor:** Joanne Dulski  
System-Wide Administrator  
Director of Laboratories

**Operating Unit:** Department of Pathology, CCHHS



**Description of Services** Requesting approval for a new contract with Becton Dickinson Chicago, IL 60673, for **MGIT reagents and instruments** needed for the culturing, identification and susceptibility studies of mycobacterial organisms i.e. TB in Microbiology/Virology Laboratory.

**Justification for This Contract:** Becton Dickinson is the sole manufacturer and distributor of MGIT 960 microbiology system for the identification and susceptibility studies of infectious and transmittable Tuberculosis (TB). There are no other manufacturers, Suppliers, or distributors for these products.

**Cost of Contract And Terms:** This is a 36 month contract in the amount of **\$130,671.92** to commence upon approval, execution and implementation of the Contract. (FY 09-\$43,730.83, FY 10-\$43,540.79, FY 11-\$43,400.30)

**Budget Info:** Budget Acct. No. 897-365  
Req. No. 98970016-82444

**Signatures:**

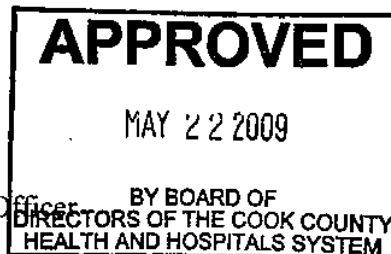
Operating Unit CFO

CCHHS Director of  
Purchasing

CCHHS CEO

## Cook County Health and Hospitals System

### Contract Item for Board Approval Enter into and Execute Contract



**Date:** April 20, 2009

**Sponsor:** Johnny C. Brown, Chief Operating Officer

**Operating Unit:** John H. Stroger, Jr., Hospital of Cook County

**Description of Service** The sole source contract with Allosource of Englewood, Colorado for Allograft products implants, demineralized bone and bone chips for use by the Orthopedic, ENT and Neuro surgeons.

**Justification for Services** We are requesting the sole source purchase Allograft and bone chips from Allosource for use by the Orthopedic, ENT and Neuro surgeons. The Allograft and or bone chips reduce the incidence of bone harvesting from patients during surgeries at John Stroger Hospital. To the best of our knowledge Allograft is the sole distributor and manufacturer.

**Cost of the Contract** \$ 150,000.00  
Contract Period 7/1/2009 thru 6/30/2010

**Budget information:** Fiscal Impact: \$150,000.00  
Account # 362-897  
Requisition # 98970356-85001

**Signatures:**

Operating Unit COO

 4/20/09

Operating Unit CFO



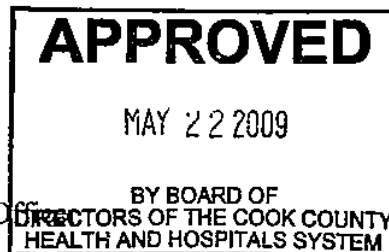
CCHHS Director  
of Purchasing



CCHHS CEO

## Cook County Health and Hospitals System

Contract Item for Board Approval  
Enter into and Execute Contract  
**AS AMENDED**



**Date:** April 17, 2009

**Sponsor:** Johnny C. Brown, Chief Operating Officer

**Operating Unit:** John H. Stroger, Jr., Hospital of Cook County

**Description of Service** The sole source contract with Stryker Craniomaxillofacial of Chicago, Illinois for the provision of Craniomaxillofacial Implants required for Surgical Services of Cook County Hospital System

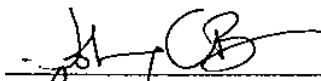
**Justification for this contract** We are requesting this contract for 12 months to purchase the required implants required for use in oral, maxillofacial, ENT, some neurosurgery and some spine surgeries. Purchase of implants from vendor completes the CMF armamentarium and insures the availability of all sizes and types required to treat patients that present within the CCHHS. To the best of our knowledge Stryker Craniomaxillofacial is the sole manufacturer and distributor of these implants.

**Cost of the Contract And Terms** \$400,000  
 Contract period 10/1/2009 thru ~~10/1/2010~~ 09/30/2010

**Budget information:** Fiscal Impact: \$400,000.00  
 Account # 897/362  
 Requisition # 98970375-85046

**Signatures:**

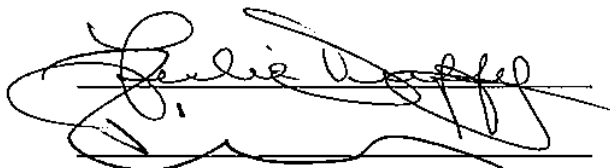
Operating Unit COO

 4/20/09

Operating Unit CFO



CCHHS Director  
 of Purchasing

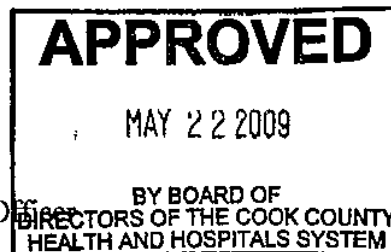


CCHHS CEO

## Cook County Health and Hospitals System

### Contract Item for Board Approval Enter into and Execute Contract

#### AS AMENDED



**Date:** April 17, 2009

**Sponsor:** Johnny C. Brown, Chief Operating Officer

**Operating Unit:** John H. Stroger, Jr., Hospital of Cook County

**Description of Service** The sole source contract with KLS-Martin L.P. of Tampa, Florida for the provision of Craniomaxillofacial Implants required for Surgical Services of Cook County Hospital System

**Justification for this contract** We are requesting this contract for 12 months to purchase the required implants required for use in oral, maxillofacial, ENT, some neurosurgery and some spine surgeries. Purchase of implants from vendor completes the CMF armamentarium and insures the availability of all sizes and types required to treat patients that present within the CCHHS. To the best of our knowledge KLS-Martin L.P. is the sole manufacturer and distributor of these implants.

**Cost of the Contract And Terms** \$250,000.00  
Contract period 10/1/2009 thru ~~10/1/2010~~ 09/30/2010

**Budget information:** Fiscal Impact: \$250,000.00  
897/362  
Requisition # 98970376-85045

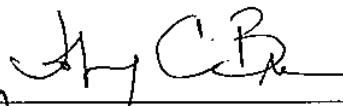
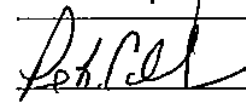

**Signatures:**

Operating Unit COO

Operating Unit CFO

CCHHS Director  
of Purchasing

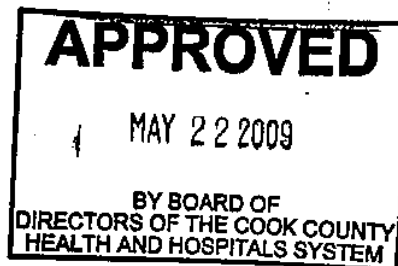
CCHHS CEO

 4/20/09  
  




# COOK COUNTY HEALTH AND HOSPITALS SYSTEM

## Request to Enter Into & Execute



Date: March 21, 2009

Sponsor: Mariellen Mason, Business Manager  
Surgical Services

Operating Unit: Cook County Health & Hospitals System

Description of Services: The sole source contract with Stryker Instruments of Kalamazoo Michigan for the purchase of Orthopedic Power Tools, with two year extended warranty.

Justification for We are requesting the purchase of power tools consisting of saws, drills and accessories for use by the Orthopedic division of Surgery. The power tools are required to performed all orthopedic cases within the Cook County Health System. Purchase of theses power tools from Stryker Instruments will insure compatibility with our existing Stryker equipment.

Cost of Contract \$382,777.80  
And Terms: 2 year extended warranty no additional charge

Budget Info: Fiscal Impact: \$382,777.80  
Account # 717-897-540  
Requisition # 90174012 - 85005

### Signatures:

Sponsor

*Mariellen Mason*

Operating Unit COO

*John C. B...* 3/30/09

Operating Unit CFO

*Bob B...*

CCHHS Director of  
Purchasing

*[Signature]*

CCHHS CEO

## Cook County Health and Hospitals System

Contract Item for Board Approval  
Enter into and Execute Contract

**APPROVED**

MAY 22 2009

BY BOARD OF  
DIRECTORS OF THE COOK COUNTY  
HEALTH AND HOSPITALS SYSTEM

**Date:** April 17, 2009

**Sponsor:** Johnny C. Brown, Chief Operating Officer

**Operating Unit:** John H. Stroger, Jr., Hospital of Cook County


**Description of Service** The sole source contract with KCI USA, Inc., Elmhurst, Illinois for Wound V.A.C. Therapy Systems and accessories.

**Justification for Services** We are requesting the sole source purchase of the V.A.C. Therapy Systems for use by the Burn and Orthopedic divisions at John H. Stroger, Jr. Hospital. The V.A.C. System delivers negative pressure wound therapy through multiple mechanisms of action to help promote wound healing. To the best of our knowledge KCI USA, Inc., is the sole manufacturer and distributor of the V.A.C. Therapy System.

**Cost of the Contract** \$ 250,000.00  
Contract Period 10/1/2009 thru 9/30/2010

**Budget information:** Fiscal Impact: \$250,000.00  
Account # 362-897  
Requisition # 98970340-84942

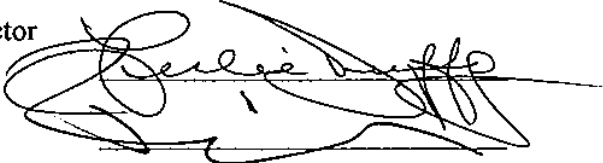
**Signatures:**

Operating Unit COO  4/20/09

Operating Unit CFO 

CCHHS Director  
of Purchasing

CCHHS CEO



Cook County Health and Hospitals System  
Report of the Meeting of the Finance Committee  
April 30, 2009

ATTACHMENT #5

COOK COUNTY HEALTH AND HOSPITALS SYSTEM  
717-NEW/REPLACEMENT CAPITAL EQUIPMENT PROGRAM

FY 2007 - FY 2009

Revised as of April 29, 2009

Revised 4/24/09

DEPARTMENT	FY 2007 APPROVED NOT PURCHASED	FY 2008 APPROVED NOT PURCHASED	FY 2009 REQUEST	TOTAL NEW REQUEST	REVISED SUBMISSION	DIFFERENCE
240 CERMAK HEALTH SERVICES	7,649	1,188,061	1,272,446	2,468,156	2,016,077	(452,079)
890 OFFICE OF THE CHIEF HEALTH ADMINISTRATOR	0	1,846,240	19,779,045	21,625,285	24,849,059	3,223,774
891 PROVIDENT HOSPITAL OF COOK COUNTY	293,400	3,871,861	3,215,535	7,380,796	8,303,761	922,965
893 AMBULATORY/COMMUNITY HEALTH NTWK	87,619	0	344,500	432,119	377,895	(54,224)
894 RUTH M. ROTHSTEIN CORE CENTER	0	0	0	0	0	0
895 DEPARTMENT OF PUBLIC HEALTH	0	0	340,544	340,544	340,544	0
897 JOHN H. STROGER, JR. HOSPITAL OF COOK COUNTY	2,800,000	11,300,000	29,839,294	43,939,294	25,742,380	(18,196,914)
898 OAK FOREST HOSPITAL OF COOK COUNTY	608,000	400,000	2,807,963	3,815,963	3,934,020	118,057
584 TB SANITARIUM DISTRICT	0	95,000	0	95,000	0	(95,000)
TOTAL DEPARTMENT CAPITAL	\$ 3,796,668	\$ 18,701,162	\$ 57,599,327	\$ 80,097,157	\$ 65,563,736	\$ (14,533,421)